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TAGS: [AF](#) [KNNP](#) [IR](#) [MNUC](#) [PARM](#) [TRGY](#) [ENRG](#) [EMIN](#) [ETTC](#)
SUBJECT: APPROACHING SIERRA LEONE ON PREVENTING IRAN'S
ACQUISITION OF NEW SUPPLIES OF URANIUM

REF: FREETOWN 51

Classified By: Acting A/S Phillip Carter III,
for reasons 1.4 (b), (d), and (e)

1. (U) This is an action request. Please see paragraphs
9-11.

2. (SBU) SUMMARY: Iran,s limited indigenous supply of uranium makes it nearly impossible for Iran to continue its current pace of enrichment activity. As a consequence, Iran will likely be forced to reach out to foreign suppliers of uranium to continue with enrichment. However, according to UN Security Council Resolution 1737, member states must prevent the export to Iran of items that would contribute to Iran,s enrichment-related, reprocessing or heavy water related activities. This includes most forms of uranium. Iran,s stated intention of continuing to pursue such activities makes it especially important that states refrain from all uranium exports to Iran. Additionally, Iran would not need to engage in such an effort if it would accept the P5 1's generous offer of a guaranteed nuclear fuel supply to Iran, contained in both the original June 2006 incentives package and June 2008 updated version, as well as Russia's long-term contract to provide fuel to Iran's sole nuclear power plant under construction at Bushehr. Iran,s continuing violation of its UNSC obligation to suspend these activities renders it especially important that states refrain from all uranium exports to Iran unless contained in fuel rods and for a light-water reactor. Post is being asked to convey USG concerns to appropriate Sierra Leone Government interlocutors regarding potential Iranian attempts to procure new stocks of uranium from uranium producers. In addition, the message should contain a reminder of Sierra Leone's obligations under the UNSCR 1737 prohibitions on transfers to Iran of specified nuclear and missile-related items, as well as any item that would contribute to the development of its enrichment and reprocessing capabilities. END SUMMARY.

3. (SBU) OBJECTIVES:

-- To convey U.S. concerns regarding possible, future Iranian attempts to procure new stocks of uranium from uranium producers.

-- To remind the Sierra Leone government that UNSCR 1737 prohibits the sale or transfer to Iran of specified nuclear-related items that include uranium (unless low enriched, contained in fuel rods, and for a light water reactor).

-- To encourage them to report to the UN Security Council,s Iran Sanctions Committee any Iranian attempts to arrange for the acquisition of such uranium.

-- To provide a nonpaper in paragraph 8 outlining the background and U.S. concerns about this issue.

BACKGROUND

14. (S) In response to REFTEL information and concern that Iran may procure uranium resources from Sierra Leone, Washington provides Post with the following unclassified background and information with which to approach Sierra Leone government interlocutors. As a consequence of its geology, Iran's indigenous uranium reserves are insufficient to support its current pace of enrichment activity for a sustained period of time, much less for the additional 7-20 power reactors it publicly proclaims an intention to build. Iran has two uranium mines, Saghand and Gachine, but the declared combined output from these mines will meet only about one-third of the annual fuel reload requirements of the single reactor at Bushehr (which in any event is being fueled by Russia). According to a study on Iran's plans for future nuclear power reactors by the Department of Energy and using data provided by Iran to the Organization for Economic Cooperation and Development (OECD) and International Atomic Energy Agency (IAEA), Iran's total uranium resources (approximately 16,050 tons including approximately 1,500 metric tons of identified and 14,550 metric tons of undiscovered resources) represent less than 25 percent of the 40 year life-cycle requirement of just seven reactors. Consequently, although Iran periodically presents optimistic plans for discovery and exploitation of new domestic uranium resources, its stated long-term uranium and reactor fuel requirements cannot be met without substantial foreign imports. However, its indigenous reserves are more than sufficient to support a nuclear weapons program.

15. (SBU) Iran could soon begin to look for outside suppliers of uranium, either through uranium producers or countries with uranium mines both to build up its stockpile of uranium and to further its argument that its fuel cycle program is dedicated entirely to civil purposes. This is despite the fact that low enriched uranium fuel for power reactors can be procured on the international market at a lower cost than what Iranian indigenous production would require. Moreover, Iran would not need to engage in such an effort if it would accept the P5 1's generous offer of guaranteed nuclear fuel supply to Iran, contained in both the original June 2006 incentives package and June 2008 updated version, as well as Russia's long-term contract to provide fuel to Iran's sole nuclear power plant under construction at Bushehr.

16. (SBU) Iran has turned to the international market in the past, including the import of 531 tons of uranium ore concentrate, commonly referred to as yellowcake, in 1982. Given the IAEA's report to the IAEA Board of Governors on 19 February 2009 that 357 tons of uranium in the form of UF6 have been produced at the Uranium Conversion Facility, it can be deduced that well over two-thirds of this imported material has already been processed at its Uranium Conversion Facility in Esfahan. Unclassified calculations based on Iran's rate of uranium conversion thus far suggest that Iran will run out of yellowcake in early 2009. This uranium shortage suggests further that Iran may soon feel pressed to turn to a wide variety of possible suppliers.

17. (SBU) Under OP 3 of UNSCR 1737 and OP8 of UNSCR 1803, states must prevent the export of nuclear-related items described in S/2006/814, which includes most forms of uranium. States should also be mindful of the requirement in OP 4 of UNSCR 1737 to prevent the transfer to Iran of any item or material they determine would contribute to enrichment-related activities. Given Iran's publicly stated intention to pursue its enrichment-related activities, we believe it is critically important that the world's largest uranium producers prevent all/all exports of uranium to Iran unless contained in fuel rods and for a light-water reactor.

NONPAPER

18. (SBU) BEGIN NONPAPER:

-- As we have previously advised, the IAEA has not received a positive response from Iran which has continued to ignore UN Security Council sanctions concerning uranium enrichment.

-- As a consequence of its geology, Iran,s reported indigenous uranium reserves are insufficient to support its current pace of enrichment activity for a sustained period of time, much less for the additional 7-20 power reactors it publicly proclaims an intention to build.

-- The IAEA's report of 19 November 2008 indicates that over two-thirds of Iran's available uranium yellowcake has been processed at its Uranium Conversion Facility in Esfahan. Calculations based on Iran's rate of uranium conversion thus far suggest that Iran will run out of yellowcake in early 2009.

-- Iran could soon begin, or may have begun, to look for outside suppliers of uranium to build up its stockpile of uranium and to further its argument that its fuel cycle program is dedicated entirely to civil purposes.

-- This is despite the fact that low enriched uranium fuel for power reactors can be securely procured on the international market at a lower cost than Iranian indigenous production.

-- Should the GoSL be approached by the GOI, we ask that you reinforce the need to adhere to UN resolutions and refuse Iranian access to Sierra Leone's indigenous uranium reserves.

-- Under OP 3 of UNSC resolution 1737, states must prevent the export of specified items that could contribute to Iran,s enrichment-related, reprocessing or heavy water related activities, as described in S/2006/814, including most forms of uranium (unless low enriched, contained in fuel rods, and for a light water reactor). Given Iran,s publicly stated intention to pursue its enrichment-related activities, we believe it is critically important that the world's uranium suppliers prevent all/all exports of uranium to Iran unless contained in fuel rods and for an established light-water reactor.

-- Moreover, Iran would not need to engage in such an effort if it would accept the P5 1's generous offer of guaranteed nuclear fuel supply to Iran, contained in both the original June 2006 incentives package and June 2008 updated version, as well as Russia's long-term contract to provide fuel to Iran's sole nuclear power plant under construction at Bushehr.

-- There have reportedly been searches in this region, to include Sierra Leone, by Iran.

-- Extreme vigilance in dealing with Iran and its nuclear program is necessary given the requirements of the UN Security Council and the significant threat Iran,s nuclear program poses to international peace and security.

-- We count on Sierra Leone as a peace-loving nation and member of the international community to be aware of the potential threat posed by such activities should they occur here.

-- Our common purpose is to convince Iran to take the steps necessary to resolve this situation diplomatically and to establish international confidence in Iran's peaceful intentions.

END NONPAPER

19. (SBU) ACTION REQUEST: Post is requested to approach Sierra Leone government interlocutors and, underscore the likelihood that Iran will seek to procure uranium from

international sources in the near term based on insufficient indigenous uranium reserves. Using the nonpaper provided in paragraph 8, Post should recall the requirements of the UN Security Council. Post should note that Iran often utilizes front companies and illicit mechanisms for its nuclear procurement, which highlights the need for their domestic firms to exercise extraordinary caution in engaging with unknown entities.

¶10. (SBU) ACTION REQUEST CONT: Post should recommend that host government, if not already doing so, approach any domestic firms involved in uranium production or trade to warn them of the risks posed by Iran and the possibility that it will seek new uranium suppliers. Post should request that, in the event Iran does contact Sierra Leone firms/entities in search of uranium, they deny the request and report it to the UNSC Iran Sanctions Committee so that other members of the international community can be aware of Iran's interest and the tactics it utilizes in attempting to acquire uranium.

¶11. (SBU) ACTION REQUEST CONT: Outside of discussions with host government, Post is requested to continue monitoring the domestic nuclear industry and report any substantial uranium deals, particularly those that are with non-established end users. Finally, Post should make clear that if Iran is seeking uranium in order to support a legitimate civil nuclear energy program, the updated P5 1 package would guarantee Iranian nuclear fuel supply. Iran should suspend its uranium enrichment-related and reprocessing activities fully and verifiably in order for negotiations on this package to begin.

¶12. (U) Post is requested to report any substantive responses by 27 March 2009. Judee Allen-Close (ISN/RA, 202-736-4686, CloseJA@state.gov) and Edith Spruill (AF/W, 202-647-1596, SpruileA@state.gov) are the Department's POCs for this activity.

CLINTON